BRITISH COLUMBIA

BC STATS

Ministry of
Management Services

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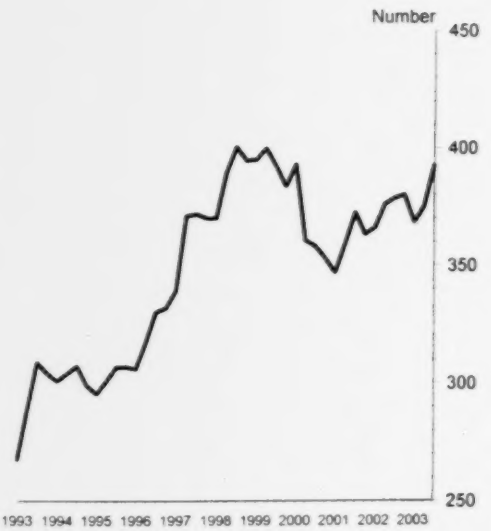
Small Business Quarterly ◆ 3rd Quarter 2003

- The number of self-employed in BC experienced significant growth in the third quarter (+3.7%). Both self-employed with (+3.0%) and without (+4.4%) paid help increased, such that the total number of self-employed (392,600) was at its highest point since the first quarter of 2000.
- The number of small businesses in BC (excluding self-employed persons) increased in the second quarter (+1.2%) compared to the same period in 2002. Robust growth in businesses with 5-49 employees (+2.9%) offset a 0.8% drop in businesses with fewer than five employees.
- Employment in all British Columbia businesses climbed 2.4% in the second quarter compared to the same period in 2002. At 2.0%, small business employment grew at a slightly slower rate than that of larger businesses (+2.7%). The strongest growth was in businesses employing between 20 and 49 people (+2.9%).
- For the sixth consecutive quarter, the number of new business incorporations expanded, jumping 7.5% over the third quarter of 2002.
- The number of business bankruptcies continued to fall, dropping 4.2% from the same period a year earlier. Consumer bankruptcies followed suit, dipping 4.9%.
- The value of commercial building permits issued in BC climbed by a third (33.1%) in the third quarter. Meanwhile industrial building permits declined 4.7%. A sharp drop in permits issued in Vancouver (-40.2%) was the main contributor to the drop in the value of industrial permits. Conversely, in Victoria industrial permits soared, rising 445.6% on the basis of over $10 million in permits issued in July. The reason for the jump was a $9.8 million permit for a utility building in Langford.
- The number of chartered bank business loans in BC remained virtually unchanged in the third quarter compared to the same period in 2002 (-0.1%). However, loans valued at less than $200,000 plunged 15.1%, while those valued between $200,000 and $500,000 fell 7.7%. Larger denomination loans (over $500,000) increased 3.8% to offset most of the decline in smaller loans.

The number of self-employed in BC jumped significantly in the 3rd quarter, reaching its highest point in over three years



Cost of Insurance is the Top Concern for Small Business in BC

Small businesses in British Columbia have had to face a number of challenges in 2003.

- The softwood lumber dispute with the United States continues to be a concern for the BC forest sector, but particularly for the smaller players like independent sawmills and remanufacturers.

- The discovery of bovine spongiform encephalopathy (more commonly know as "mad cow" disease) was a big blow to the cattle industry and although some restrictions have been lifted, there are still export bans on many cuts of meat and certain live animals.

- The war in Iraq also affected small businesses, partly due to reluctance of people to travel away from home and partly due to American reaction to Canada's refusal to participate. Some businesses were unable to sell their wares south of the border because their customers disagreed with Canada's position on the war.

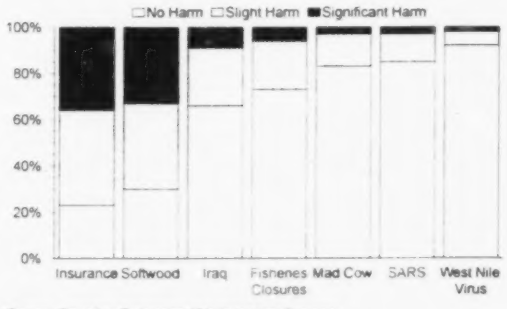
- The SARS epidemic affected the number of tourists coming to BC and may have resulted in reduced revenues for businesses catering to tourists.

- The rash of forest fires in BC's interior affected business in a couple of ways. Potential customers, be they tourists or locals, were prevented from accessing some businesses. Also, some businesses suffered fire damage that in some cases caused the closure of that business.

- The Canadian dollar has experienced rapid appreciation, which has hurt some businesses dependent on exports, including the tourism sector. However, there are also businesses that have benefited from the higher dollar. According to a survey performed by the Canadian Federation of Independent Business (CFIB) in December, 35% of BC small businesses said a higher dollar would hurt their business, while 30% said it would help, with the remainder saying it either had no impact or they did not know.[1]

Despite all these unexpected events, the issue that concerns small businesses in BC the most is rising insurance costs. According to a June CFIB survey, in BC, the cost and availability of insurance caused significant harm to 36% of respondents' businesses and slightly harmed a further 41%.[2] By comparison, the softwood lumber dispute was reported to have significantly harmed 33% of businesses and slightly harmed 37%. The situation in Iraq was the next most significant concern, with 9% reporting significant harm and 25% suffering slight harm.

Insurance cost and availability caused more harm to BC small businesses than any other issue



Source: Canadian Federation of Independent Business

[1] Mallett, Ted. *Quarterly Business Barometer*, 2003 No. 4, Canadian Federation of Independent Business (December 2003).

[2] Mallett, Ted. *Quarterly Business Barometer*, 2003 No. 2, Canadian Federation of Independent Business (June 2003).

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In a separate survey by the Council of Tourism Associations of British Columbia (COTA), the result was the same: the most significant factor harming respondents' businesses was reported to be the cost and availability of insurance. Over half of tourism businesses surveyed reported a problem with insurance. The COTA survey found that of the 453 businesses surveyed, 12% could not access any kind of insurance at all.[3]

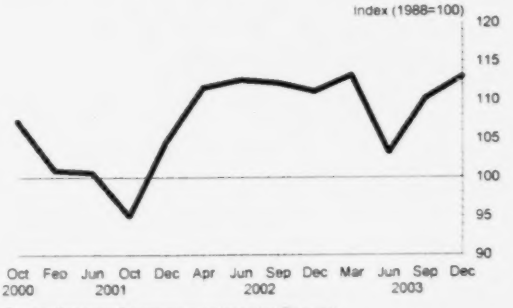
Starting with the events of September 11, 2001 and continuing with a spate of natural disasters such as hurricanes on the east coast, droughts in the prairies and the fires sweeping through Western Canada and some western states, insurance companies have had to pay out far more than usual in the last few years, and this has resulted in substantial price inflation. Insurance companies are being far more reticent about selling policies to high-risk clients, or at least, what they perceive as high-risk.

Premiums have increased on virtually every type of commercial insurance, including automobile, property, business interruption, etc. With the small operating margins of many small businesses, this dramatic increase in cost could turn a business' balance sheet from a position of profit to one of loss. Considering that about 98% of businesses in BC are classified as a small business (i.e., employing less than 50 people), this could prove to be a serious challenge to the provincial economy.

Across Canada, according to the CFIB survey, the industries with the greatest incidence of harm (either significantly or slightly) due to insurance costs and availability are the transportation services (86%), financial services (83%) and construction (82%) industries. Business services (66%), social services (67%) and the hospitality sector (67%) were the industries least harmed, although two-thirds of the businesses in these industries had problems with insurance.

Despite all the difficulties experienced by small businesses in BC over the last year, on balance, their expectations for the next 12 months are positive. According to the CFIB Quarterly Business Barometer Index, after hitting its lowest point since the aftermath of September 11th in June, business confidence rebounded in September and again in December.[4] Expectations in BC have recovered to the point where they were in March.

After slumping in the second quarter, business confidence in BC rebounded in the third quarter



Source: Canadian Federation of Independent Business

The fact that BC businesses are regaining confidence is a good sign that the impact of the external events of the last couple of years should prove to be temporary; however, the threat of reduced access to insurance and soaring rates could prove to be a more long-term problem and could have a sustained impact, potentially affecting profitability for years to come.

[3] "B.C. Symposium on the Trail of Tourism's Insurance and Financing Challenges," *Tourism News*, Issue 14, Volume 2, Council of Tourism Associations of British Columbia (Oct. 29, 2003).

[4] See note 1.

Recent Feature Articles Listed by Issue Number

03-3: *'Cost of Insurance is the Top Concern for Small Business in BC'* (released Dec 2003)

03-2: *'Chartered Bank Business Loans Continue to Decline'* (released Sep 2003)

03-1: *'Moonlighting in British Columbia'* (released Jun 2003)

02-4: *'Stay-at-Home Workers'* (released Mar 2003)

02-3: *'Profile of Women Entrepreneurs'* (released Jan 2003)

02-2: *'A Comparison of Small Business Size, 1993 and 2001'* (released Sep 2002)

02-1: *'Will Retiring Boomers Lead to Labour Bust?'* (released Jun 2002)

01-4: *'Expectations of Manufacturers Showing Signs of Improvement'* (released Mar 2002)

01-3: *'Business and Consumer Bankruptcies are on the Rise in BC'* (released Jan 2002)

01-2: *'The Benefits and Costs of a Higher Minimum Wage'* (released Nov 2001)

01-1: *'Small Business On-Line: Internet Use Among SMEs'* (released Sep 2001)

00-4: *'Co-operatives Grew Steadily Throughout the 1990s'* (released May 2001)

00-3: *'Profile of Self-Employed in British Columbia'* (released Mar 2001)

00-2: *'Latest Small Business Employment Numbers Show Three Year Changes'* (released Jan 2001)

00-1: *'Some Distinctive Features of The Small Business Workplace'* (released Oct 2000)

99-4: *'Transfers of Corporate Charters to Other Provinces Suggest Business Migration From British Columbia'* (released Jul 2000)

99-3: *'755 Thousand British Columbians Rely On Small Businesses For Jobs'* (released Mar 2000)

99-2: *'A Quarter of All Employees In British Columbia Work For Small Employers'* (released Nov 1999)

99-1: *'Self-Employment In* British Columbia Takes On New Profile' (released Sep 1999)

98-4: *'Co-Operative Movement Grows Through the 1990s'* (released Apr 1999)

98-3: *'The Long and the Short of Working Hours For Self-Employed'* (released Dec1998)

98-2: *'People Trying Self-Employment As A Second Job'* (released Aug 1998)

98-1: *'British Columbians Still Making Their Own Jobs'* (released May 1998)

97-4: *'Business Bankruptcies Ease With Low Interest Rates, but Consumer Bankruptcies Continue to Climb'* (released Mar 1998)

97-3: *'Co-operative Movement Grows Steadily In British Columbia'* (released Jan 1998)

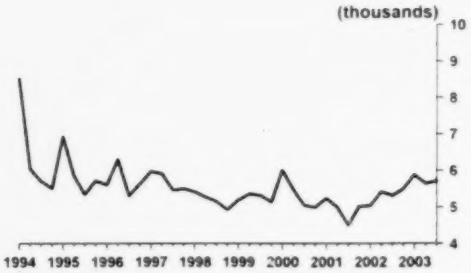
97-2: *'Doing Our Thing In Lotusland – The New Self-Employed In British Columbia'* (released Sep 1997)

97-1: *'Immigrants Boost Self-Employment In British Columbia'* (released Aug 1997)

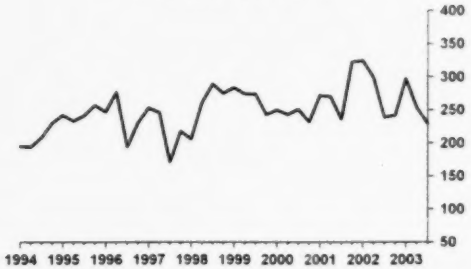
96-4: *'More British Columbia Companies Shift Corporate Charters to Alberta and Ontario'* (released Apr 1997)

Business Counts, Formations and Failures

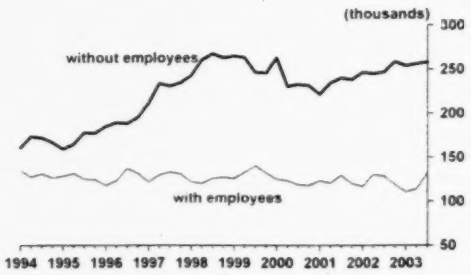
New Business Incorporations in British Columbia



Number of Business Bankruptcies in British Columbia



Self-Employed Persons

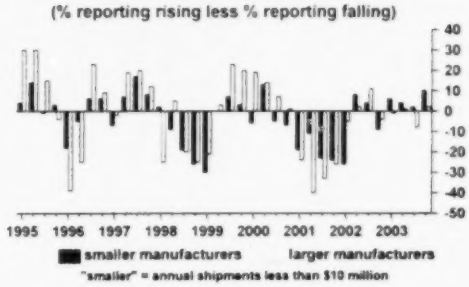


Small Businesses With Employees

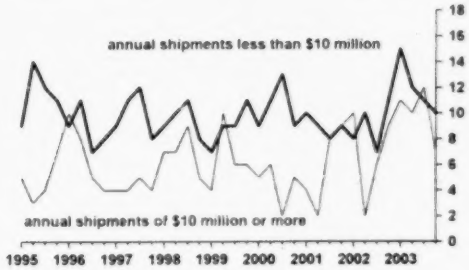
Business Conditions

Balance of Opinion on New Orders Received at Start of Quarter

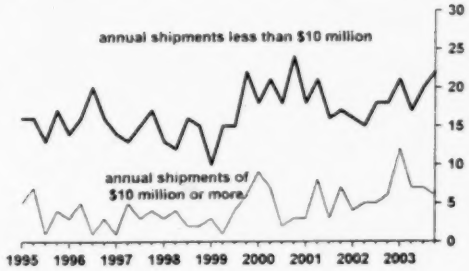
(% reporting rising less % reporting falling)



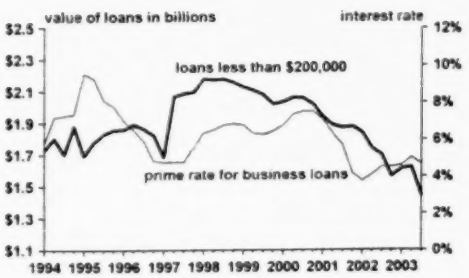
Per Cent of Manufacturers Experiencing Shortage of Working Capital



Per Cent of Manufacturers Experiencing Shortage of Skilled Labour



Chartered Bank Business Loans in British Columbia



Period	Active Employer Businesses [1] by number of employees					Employment [2] by number of employees in business				Self-employed [3]		
	Total	1-4	5-9	10-19	20-49	Total [4]	1-19	20-49	50+	Total [5]	with paid help	without paid help
	('000)					('000)				('000)		
Annual Averages												
1995	143.7	84.7	26.0	17.6	10.7					302.5	127.3	169.7
1996	148.2	87.9	26.5	18.1	10.8					321.3	127.3	189.3
1997	150.9	87.2	27.5	19.2	11.7					361.4	129.0	225.9
1998	153.7	91.6	26.9	18.2	11.5					388.6	123.6	258.3
1999	154.6	92.0	26.8	18.2	11.9					392.6	132.5	254.9
2000	156.6	90.5	27.5	19.3	13.0	1,567.8	411.8	182.0	974.0	366.1	121.0	239.2
2001	156.9	91.5	27.2	18.5	12.4	1,588.0	411.9	186.3	989.8	360.4	123.1	233.3
2002	156.8	91.8	27.2	18.3	12.4	1,603.9	412.1	193.9	997.9	375.2	123.2	249.1
% change 2001-2002	0.0%	0.3%	-0.3%	-1.3%	-0.4%	1.0%	0.0%	4.1%	0.8%	4.1%	0.1%	6.8%
Quarterly	*End of Quarter*					*Quarterly*				*Quarterly Averages*		
2000 Q1	155.4	90.6	27.4	18.9	12.6	1,511.0	398.4	173.4	939.1	392.8	124.7	262.6
Q2	156.6	89.8	27.8	19.6	13.3	1,576.6	414.0	182.7	979.9	360.6	122.9	230.4
Q3	157.2	90.9	27.6	19.5	13.1	1,586.1	422.0	189.6	974.5	358.1	118.5	232.6
Q4	157.4	90.8	27.4	19.1	12.9	1,597.4	412.9	182.2	1,002.4	353.0	117.7	231.4
2001 Q1	156.6	90.1	27.4	19.0	12.8	1,566.9	403.7	179.1	984.0	346.9	123.1	221.1
Q2	156.6	91.1	27.3	18.5	12.4	1,601.0	412.9	188.2	999.8	359.2	120.5	234.4
Q3	156.9	92.0	27.1	18.4	12.3	1,596.2	419.5	193.7	983.0	372.4	128.9	239.8
Q4	157.4	92.7	27.1	18.3	12.2	1,587.9	411.4	184.3	992.1	363.2	119.7	238.0
2002 Q1	156.2	91.9	27.0	18.2	12.1	1,564.7	401.2	181.8	981.7	366.1	116.3	246.2
Q2	156.5	91.7	27.0	18.2	12.3	1,608.1	412.4	197.4	998.2	376.0	129.7	245.0
Q3	157.0	91.7	27.3	18.3	12.5	1,617.9	419.6	200.5	997.8	378.7	128.4	246.7
Q4	157.6	91.8	27.3	18.5	12.6	1,624.8	415.0	195.9	1,013.9	380.0	118.6	258.3
2003 Q1	157.2	90.9	27.8	18.6	12.6	1,605.0	405.7	191.2	1,008.1	368.3	110.6	253.8
Q2	157.4	91.0	27.9	18.7	12.6	1,646.9	418.8	203.1	1,025.0	375.0	114.2	256.1
Q3	-	-	-	-	-	-	-	-	-	392.6	132.3	257.7
% change year-over-year last available quarter	0.6%	-0.8%	3.3%	2.7%	2.4%	2.4%	1.5%	2.9%	2.7%	3.7%	3.0%	4.4%
Monthly												
Dec-02										369.8	113.6	253.5
Jan-03										365.3	109.3	252.1
Feb-03										364.3	110.6	249.3
Mar-03										375.2	111.9	260.1
Apr-03										371.8	115.1	252.2
May-03										376.2	113.1	258.1
Jun-03										376.9	114.5	258.0
Jul-03										389.6	136.7	250.0
Aug-03										398.9	130.2	265.9
Sep-03										389.4	129.9	257.2
Oct-03										399.1	117.6	278.9
Nov-03										399.2	118.4	274.7
% change year-over-year last available month										4.4%	6.4%	3.5%
year-to-date	157.3	90.9	27.9	18.7	12.6	1,626.0	412.2	197.2	1,016.6	382.4	118.8	259.7

Notes:

[1] Source: Business Register

[2] Source: Survey of Employment, Payroll and Hours

[3] Source: Labour Force Survey

[4] Industrial aggregate excluding unclassified

[5] Total self-employed includes persons working in family business without pay

Source: Statistics Canada.
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Period	Business Formation Indicators			Bankruptcies	
	New BC Business Incorporations	Registrations Extraprovincial Companies	Registrations Unincorporated Businesses	Business	Consumer
	(number)			(number)	
Annual Totals					
1995	23,846	1,966	19,279	973	4,747
1996	22,848	2,061	20,367	948	6,436
1997	22,958	2,188	19,863	895	7,366
1998	20,759	2,233	19,507	1,031	7,327
1999	21,009	2,366	20,917	1,075	8,179
2000	21,515	2,528	20,822	976	9,181
2001	19,749	2,479	21,306	1,100	9,474
2002	21,262	2,383	22,487	1,105	9,527
% change 2001-2002	7.7%	-3.9%	5.5%	0.5%	0.6%
Quarterly Totals					
1999 Q1	5,188	578	5,015	284	2,024
Q2	5,362	637	5,612	274	2,138
Q3	5,322	556	5,093	274	1,919
Q4	5,137	595	5,197	243	2,098
2000 Q1	6,011	651	5,626	250	2,354
Q2	5,471	680	5,590	243	2,350
Q3	5,044	578	5,026	251	2,216
Q4	4,989	619	4,580	232	2,261
2001 Q1	5,236	714	5,400	272	2,503
Q2	4,997	663	5,853	270	2,483
Q3	4,504	546	4,959	236	2,232
Q4	5,012	556	5,094	322	2,256
2002 Q1	5,035	604	5,335	325	2,469
Q2	5,417	616	6,220	299	2,472
Q3	5,313	559	5,772	239	2,388
Q4	5,497	604	5,160	242	2,198
2003 Q1	5,878	694	6,878	297	2,467
Q2	5,638	674	6,642	253	2,463
Q3	5,711	547	5,852	229	2,272
% change year-over-year last available quarter	7.5%	-2.1%	1.4%	-4.2%	-4.9%
Monthly					
Dec-02	1,596	170	1,223	84	630
Jan-03	2,122	244	2,308	101	731
Feb-03	1,804	223	2,117	93	857
Mar-03	1,952	227	2,453	103	879
Apr-03	1,844	216	2,499	92	862
May-03	1,747	220	2,140	68	761
Jun-03	2,047	238	2,003	93	840
Jul-03	1,837	179	2,133	81	821
Aug-03	1,818	170	1,732	61	684
Sep-03	2,056	198	1,987	87	767
Oct-03	2,023	204	2,194	75	827
Nov-03	2,050	206	1,848	-	-
year-to-date	21,300	2,325	23,414	854	8,029
% change year-over-year last available month	7.8%	3.5%	-12.1%	-22.7%	-2.8%

Sources: BC Ministry of Finance and Corporate Relations, Industry Canada.

Period	Interest Rates			Exchange Rate	Consumer Price Index		
	Bank Rate	Prime Rate	Conventional 5 Year Mortgage	Canadian $ Average Noon Spot Rate	BC	Vancouver*	Victoria*
	(per cent)			(U.S. ¢)	(1992=100)		
Annual Averages							
1996	4.53	6.06	7.93	73.34	108.9	109.2	108.7
1997	3.52	4.96	7.07	72.24	109.7	109.8	109.7
1998	5.10	6.60	6.93	67.48	110.0	110.4	110.0
1999	4.92	6.44	7.56	67.32	111.2	111.4	111.1
2000	5.77	7.27	8.35	67.34	113.3	113.9	113.0
2001	4.31	5.81	7.40	64.58	115.2	116.0	114.3
2002	2.71	4.21	7.02	63.69	117.9	118.6	117.4
% change 2001-2002	N/A	N/A	N/A	-1.4%	2.3%	2.3%	2.7%
difference 2001-2002	-1.60	-1.60	-0.39	N/A	N/A	N/A	N/A
Quarterly Averages							
2000 Q1	5.25	6.75	8.48	68.80	111.7	112.1	111.5
Q2	5.83	7.33	8.52	67.56	112.8	113.3	112.7
Q3	6.00	7.50	9.25	67.47	114.2	115.0	113.7
Q4	6.00	7.50	8.15	65.55	114.4	115.1	114.0
2001 Q1	5.58	7.08	7.58	65.47	113.5	114.4	112.5
Q2	4.83	6.33	7.67	64.89	115.6	116.3	114.8
Q3	4.17	5.67	7.50	64.69	116.4	117.2	115.4
Q4	2.67	4.17	6.87	63.28	115.2	116.0	114.6
2002 Q1	2.25	3.75	7.05	62.72	116.0	116.8	115.5
Q2	2.58	4.08	7.37	64.35	118.0	118.8	117.5
Q3	3.00	4.50	6.85	63.97	118.7	119.4	118.3
Q4	3.00	4.50	6.80	63.72	118.8	119.6	118.4
2003 Q1	3.08	4.58	6.63	66.26	119.7	120.4	119.3
Q2	3.50	5.00	6.20	71.58	120.3	120.9	119.8
Q3	3.17	4.67	6.28	72.46	120.9	121.4	120.5
% change year-over-year last available quarter	N/A	N/A	N/A	13.3%	1.9%	1.7%	1.9%
difference year-over-year last available quarter	0.17	0.17	-0.57	N/A	N/A	N/A	N/A
Monthly							
Dec-02	3.00	4.50	6.70	64.13	118.8	119.5	118.4
Jan-03	3.00	4.50	6.45	64.89	119.0	119.7	118.7
Feb-03	3.00	4.50	6.60	66.12	119.6	120.3	119.2
Mar-03	3.25	4.75	6.85	67.75	120.6	121.2	120.1
Apr-03	3.50	5.00	6.65	68.56	120.4	121.0	119.9
May-03	3.50	5.00	6.15	72.23	120.4	120.9	119.9
Jun-03	3.50	5.00	5.80	73.95	120.2	120.8	119.7
Jul-03	3.25	4.75	6.20	72.38	120.5	120.9	120.1
Aug-03	3.25	4.75	6.35	71.65	120.9	121.5	120.5
Sep-03	3.00	4.50	6.30	73.36	121.2	121.8	120.8
Oct-03	3.00	4.50	6.40	75.65	120.6	121.3	120.4
Nov-03	3.00	4.50	6.50	76.19	-	-	-
% change year-over-year last available month	N/A	N/A	N/A	19.7%	1.6%	1.4%	1.8%
difference year-over-year last available month	0.00	0.00	-0.20	N/A	N/A	N/A	N/A

* Census Metropolitan Area

Period	Commercial Building Permits			Industrial Building Permits			Urban Housing Starts	
	BC	Vancouver*	Victoria*	BC	Vancouver*	Victoria*	BC	Vancouver*
	($ thousands)			($ thousands)			(number)	
Annual Totals								
1995	1,023,877	597,580	57,744	247,133	109,178	10,626	23,604	14,992
1996	1,225,837	675,541	88,661	252,646	151,875	5,499	24,744	15,453
1997	1,358,450	849,207	78,280	285,814	163,773	6,777	25,210	15,950
1998	1,311,124	810,117	76,173	273,279	160,652	15,858	17,631	11,878
1999	1,142,105	652,159	101,453	319,145	172,604	5,931	14,176	8,677
2000	1,297,270	868,865	76,834	295,525	147,574	14,763	12,353	8,203
2001	1,171,233	718,860	86,782	221,353	105,178	21,843	15,689	10,862
2002	1,116,741	746,220	104,278	230,119	129,291	9,167	20,315	13,197
% change 2001-2002	-4.7%	3.8%	20.2%	4.0%	22.9%	-58.0%	29.5%	21.5%
Quarterly Totals								
1999 Q1	226,757	135,329	25,624	41,266	17,534	3,190	2,709	1,951
Q2	311,707	170,971	19,066	103,901	71,354	789	3,507	1,861
Q3	311,474	193,701	21,393	109,850	62,438	479	4,148	2,497
Q4	292,167	152,158	35,370	64,128	21,278	1,473	3,812	2,368
2000 Q1	310,172	243,234	10,966	60,084	20,194	1,258	2,219	1,527
Q2	363,163	205,899	30,805	83,816	44,182	6,223	3,559	2,468
Q3	336,460	218,441	17,911	78,563	41,930	364	3,310	1,989
Q4	287,475	201,291	17,152	73,062	41,268	6,918	3,265	2,219
2001 Q1	273,963	162,249	23,467	65,245	30,677	9,657	2,946	2,149
Q2	406,173	271,274	26,720	56,965	21,011	2,133	4,619	3,620
Q3	280,778	159,138	15,570	57,121	29,033	7,512	4,176	2,802
Q4	210,319	126,199	21,025	42,022	24,457	2,541	3,948	2,291
2002 Q1	198,407	125,804	18,170	25,849	12,710	2,091	3,659	2,285
Q2	353,724	264,566	28,515	73,400	42,047	3,452	5,279	3,548
Q3	266,902	144,797	41,744	79,205	47,950	2,380	5,934	4,020
Q4	297,708	211,053	15,849	51,665	26,584	1,244	5,443	3,344
2003 Q1	200,089	107,691	27,778	40,679	22,785	1,003	4,206	2,588
Q2	313,545	156,577	29,849	66,052	16,043	1,500	6,097	3,740
Q3	355,337	159,270	54,930	75,453	28,664	12,986	7,678	5,146
% change year-over-year last available quarter	33.1%	10.0%	31.6%	-4.7%	-40.2%	445.6%	29.4%	28.0%
Monthly								
Dec-02	75,766	59,911	4,419	11,992	7,644	620	1,517	978
Jan-03	82,040	52,318	12,706	18,846	12,987	216	1,181	677
Feb-03	47,297	24,779	8,861	11,044	4,608	576	1,533	1,008
Mar-03	70,752	30,594	6,211	10,789	5,190	211	1,492	903
Apr-03	103,056	53,760	4,003	36,824	5,057	865	2,197	1,351
May-03	103,786	53,410	7,009	13,158	3,313	128	1,849	1,175
Jun-03	106,703	49,407	18,837	16,070	7,673	507	2,051	1,214
Jul-03	131,274	57,743	14,196	35,241	10,131	10,009	2,621	1,691
Aug-03	98,754	54,779	12,243	16,789	5,979	1,091	2,331	1,509
Sep-03	125,309	46,748	28,491	23,423	12,554	1,886	2,726	1,946
Oct-03	87,287	70,292	1,609	30,604	9,160	4,580	2,865	1,981
Nov-03	-	-	-	-	-	-	2,167	1,140
year-to-date	956,258	493,830	114,166	212,788	76,652	20,069	23,013	14,595
% change year-over-year last available month	-39.3%	-39.1%	-70.6%	54.1%	71.3%	3623.6%	3.3%	-21.2%

* Census Metropolitan Area

Sources: Canada Mortgage and Housing, Statistics Canada.
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Period	Chartered Bank Business Loans in British Columbia			
	Less than $200,000	$200,000 to $500,000	Greater than $500,000	Total
	($ millions)			
Annual Averages				
1995	1,791	1,451	9,043	12,284
1996	1,861	1,508	9,162	12,530
1997	1,985	1,724	10,081	13,790
1998	2,172	1,825	11,077	15,074
1999	2,084	1,710	10,807	14,601
2000	2,045	1,605	10,575	14,224
2001	1,896	1,516	9,746	13,158
2002	1,710	1,393	9,373	12,475
% change 2001-2002	-9.8%	-8.1%	-3.8%	-5.2%
Quarterly				
1995 Q1	1,694	1,413	9,268	12,375
Q2	1,779	1,457	9,047	12,283
Q3	1,832	1,462	9,020	12,314
Q4	1,859	1,471	8,835	12,165
1996 Q1	1,860	1,487	8,988	12,335
Q2	1,893	1,512	9,094	12,499
Q3	1,864	1,501	9,252	12,617
Q4	1,825	1,533	9,312	12,670
1997 Q1	1,686	1,534	9,853	13,073
Q2	2,068	1,751	9,751	13,570
Q3	2,088	1,770	10,337	14,195
Q4	2,098	1,841	10,384	14,323
1998 Q1	2,180	1,842	11,115	15,137
Q2	2,174	1,842	11,338	15,354
Q3	2,178	1,816	11,104	15,098
Q4	2,157	1,801	10,750	14,708
1999 Q1	2,128	1,792	10,908	14,828
Q2	2,108	1,735	10,975	14,818
Q3	2,080	1,686	10,876	14,642
Q4	2,020	1,627	10,467	14,114
2000 Q1	2,035	1,631	10,636	14,302
Q2	2,063	1,638	10,812	14,513
Q3	2,059	1,586	10,608	14,253
Q4	2,021	1,564	10,244	13,829
2001 Q1	1,942	1,561	10,171	13,674
Q2	1,890	1,539	9,552	12,981
Q3	1,873	1,502	9,599	12,974
Q4	1,879	1,461	9,662	13,002
2002 Q1	1,842	1,484	9,912	13,238
Q2	1,742	1,439	9,897	13,078
Q3	1,702	1,400	9,344	12,446
Q4	1,552	1,247	8,337	11,136
2003 Q1	1,599	1,312	9,159	12,070
Q2	1,626	1,327	9,795	12,748
Q3	1,445	1,292	9,700	12,437
% change year-over-year last available quarter	-15.1%	-7.7%	3.8%	-0.1%

Period	Manufacturers' Outlook for Business Conditions Companies With Annual Shipments Less Than $10 Million Balance of Opinion at the Beginning of Quarter* (net of positive & negative percentages) Inventory Levels High or Low	Orders Rising or Falling	Anticipated Production This Quarter	Percent of Manufacturers Experiencing Production Difficulties From: Working Capital Shortage	Skilled Labour Shortage	Unskilled Labour Shortage
		(index)			(%)	
Annual Averages						
1996	4	-3	2	9	17	1
1997	4	6	4	10	15	2
1998	8	-13	-7	10	14	1
1999	6	-5	5	9	16	2
2000	8	-1	6	11	20	2
2001	9	-19	-9	9	18	3
2002	1	-6	-1	9	17	3
Quarterly						
1997 Q1	-1	-7	-11	9	14	1
Q2	2	7	20	11	13	1
Q3	9	17	20	12	15	1
Q4	7	8	-13	8	17	3
1998 Q1	7	2	-8	9	13	0
Q2	7	-9	20	10	12	0
Q3	7	-19	-10	11	16	0
Q4	9	-26	-28	8	15	2
1999 Q1	4	-30	-18	7	10	2
Q2	10	0	23	9	15	0
Q3	6	7	20	9	15	2
Q4	5	3	-4	11	22	2
2000 Q1	4	-6	-8	9	18	1
Q2	10	13	26	11	21	2
Q3	8	-5	10	13	18	2
Q4	8	-7	-4	9	24	4
2001 Q1	6	-19	-10	10	18	2
Q2	13	-11	19	9	21	3
Q3	10	-23	-6	8	16	3
Q4	8	-24	-38	9	17	3
2002 Q1	3	-26	-16	8	16	4
Q2	2	8	27	10	15	2
Q3	-1	4	3	7	18	4
Q4	1	-9	-17	11	18	3
2003 Q1	6	6	2	15	21	3
Q2	6	4	21	12	17	1
Q3	8	2	10	11	20	2
Q4	5	10	7	10	22	4

* **Note:** For Inventory Levels, a positive balance indicates too much inventory, and is thus unfavourable. For New Orders and Production, a positive balance of opinion is favourable.

Note: These data are gathered from the *Business Conditions Survey*, which is conducted quarterly in January, April, July and October. Most responses are recorded in the first two weeks of these months. Manufacturers with more employees have a correspondingly larger impact on the results.

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Period	Manufacturers' Outlook for Business Conditions Companies With Annual Shipments of $10 Million or More Balance of Opinion at the Beginning of Quarter* (net of positive & negative percentages) Inventory Levels High or Low	Orders Rising or Falling	Anticipated Production This Quarter	Percent of Manufacturers Experiencing Production Difficulties From: Working Capital Shortage	Skilled Labour Shortage	Unskilled Labour Shortage
	(index)			(%)		
Annual Averages						
1996	40	-8	-7	7	3	0
1997	29	12	12	4	3	1
1998	32	-16	-1	7	3	0
1999	19	6	10	7	4	0
2000	10	10	11	5	5	1
2001	24	-31	-5	6	5	0
2002	15	1	5	7	5	1
Quarterly						
1997 Q1	36	-2	1	4	1	0
Q2	31	19	23	4	5	1
Q3	26	20	21	5	3	1
Q4	22	12	2	4	4	0
1998 Q1	42	-25	-19	7	3	0
Q2	33	5	4	7	4	0
Q3	21	-20	12	9	2	0
Q4	31	-25	-1	5	2	1
1999 Q1	28	-21	5	4	3	0
Q2	30	3	6	10	1	0
Q3	11	23	22	6	4	0
Q4	5	20	6	6	6	0
2000 Q1	7	19	12	5	9	2
Q2	19	14	11	6	7	1
Q3	16	7	14	2	2	0
Q4	-4	1	6	5	3	0
2001 Q1	19	-24	-7	4	3	0
Q2	27	-40	4	2	8	0
Q3	37	-33	-9	8	3	1
Q4	14	-26	-7	9	7	0
2002 Q1	15	-5	-2	10	4	1
Q2	13	2	15	2	5	0
Q3	13	11	6	6	5	0
Q4	19	-4	-1	9	6	1
2003 Q1	16	-1	-10	11	12	0
Q2	13	1	17	10	7	0
Q3	21	-8	19	12	7	1
Q4	12	2	5	7	6	1

* **Note:** For Inventory Levels, a positive balance indicates too much inventory, and is thus unfavourable. For New Orders and Production, a positive balance of opinion is favourable.

Note: These data are gathered from the *Business Conditions Survey*, which is conducted quarterly in January, April, July and October. Most responses are recorded in the first two weeks of these months. Manufacturers with more employees have a correspondingly larger impact on the results.

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